

Sør Boligkreditt AS - Mortgage Covered Bonds

Covered Bonds / Norway

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Reporting as of: 31/12/2011 All amounts in NOK (Norway) (unless otherwise specified)

For information on how to read this report, see the latest Moody's EMEA Covered Bond Monitoring Overview

Data as provided to Moody's Investors Service (note 1)

I. Programme Overview

Overview		Legal Framework	
Year of initial Rating Assignment :	2011	Does a specific Covered Bonds Law apply for this programme :	Yes
Total outstanding liabilities :	NOK (Norway) 6,700,000,000	Main country in which Collateral is based :	Norway
Total Assets in the Cover Pool :	NOK (Norway) 7,983,073,534	Country in which issuer is based :	Norway
Issuer Name :	Sør Boligkreditt AS		
Group / Parent Name :	Sparebankend Sør		
Main Collateral Type (>50%) :	Residential		
Ratings		Timely Payment	
Issuer Senior Unsecured rating :	Unrated	Refinancing period for principal payments of 6 months or greater :	Yes
Group / Parent Senior Unsecured rating :	A3 / Stable	Liquidity reserve to support timely payments on all issuances :	No
Covered Bonds Rating :	Aaa	Timely Payment Indicator ("TPI") (note 2) :	High
		TPI Leeway (note 2):	1 notch(es)

II. Value of the Cover Pool

Collateral Quality		Cover Pool loss assumed following Issuer default (note3)	
Collateral Score :	8.3%	Collateral Risk (Collateral Score post-haircut) :	5.6% 44%
		Market Risk :	7.1% 56%
			12.7% (100%)

III. Over-Collateralisation Levels

Over-Collateralisation (OC) figures presented below include Eligible only collateral. The exception to this is current OC which may include ineligible collateral.

Over-collateralisation levels are provided on nominal basis.

NPV stress test where stressed : n/a

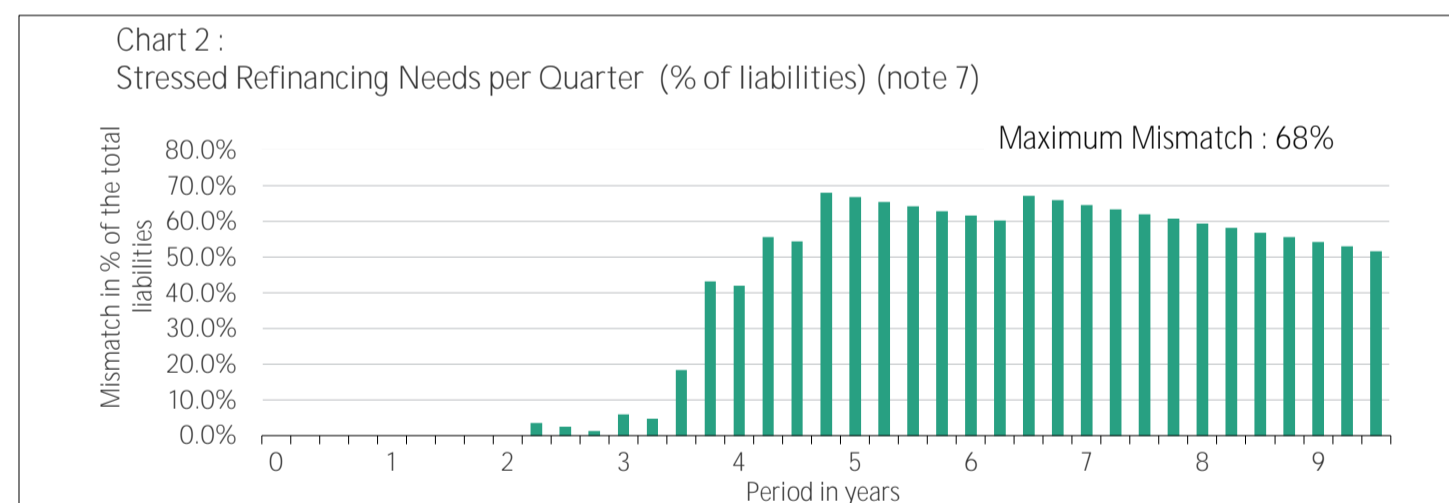
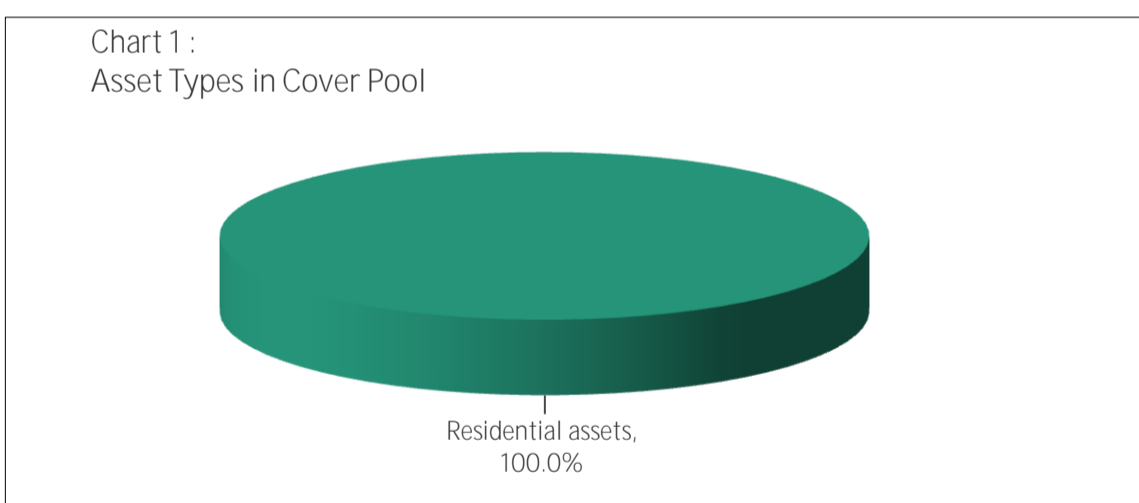
Current situation (note 4 & note 6)

Committed OC :	11.5%
Current OC :	19.2%
OC Level necessary to maintain current rating :	10.0%

Stressed scenario (note 5 & note 6)

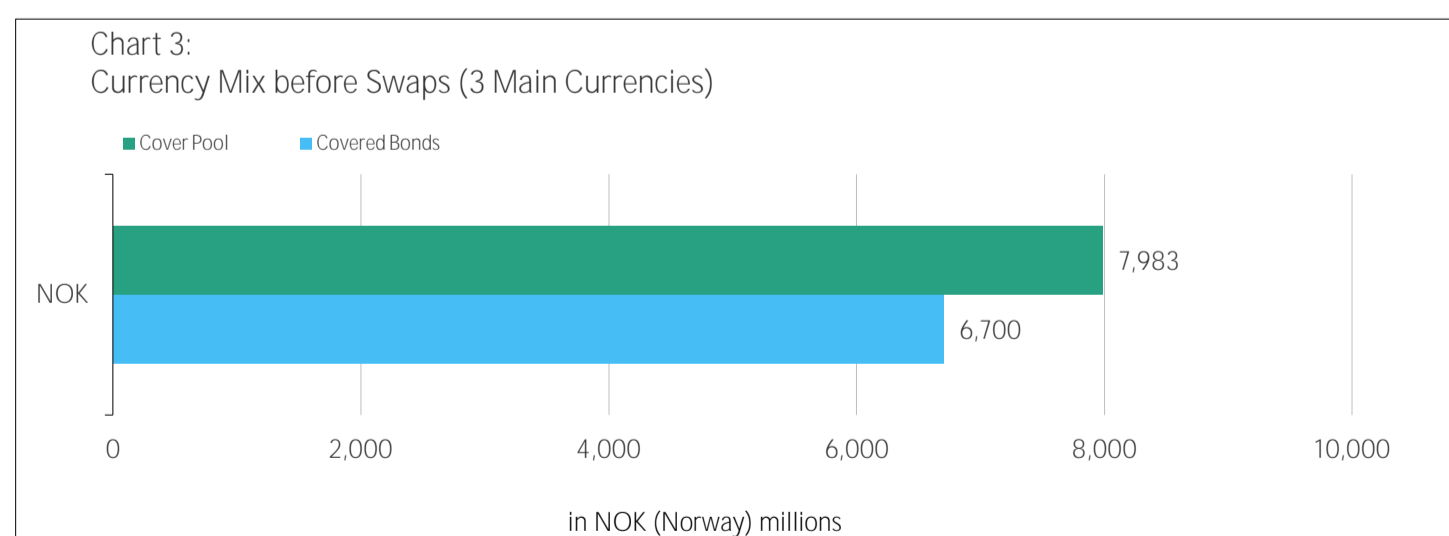
Estimated OC to maintain current rating in following scenarios :	
Scenario 1: Issuer is downgraded by 1 notch :	15.0%
Scenario 2: Issuer is rated A2 :	9.5%

IV. Charts & Tables



Interest Rate & Duration Mismatch (note 8)

Fixed Rate assets in the Cover Pool :	0.0%
Fixed Rate Covered Bonds outstanding :	0.0%
WAL of outstanding Covered Bonds :	3.9 years
WAL of the Cover Pool :	11.5 years



Swap Arrangements

Interest Rate Swap(s) "in the Cover Pool" :	Yes
Intra-group Interest Rate Swap(s) provider(s) :	No
Currency Swap(s) "in the Cover Pool" :	No
Intra-group Currency Swap(s) provider(s) :	No

(note 1) The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.

(note 2) Based on the current TPI, this is the number of notches an "Issuer Rating" (as defined in Moody's Monitoring Overview) can be downgraded before the covered bonds are downgraded.

(note 3) The "Collateral Risk" combines the Collateral Score post haircut (if any) for eligible and ineligible (if any) assets which Moody's gives value to in the cover pool. The Collateral Risk considers only the credit deterioration of the Cover Pool and here excludes certain related legal risks, such as set off. Market risks include refinancing risk, currency and interest rate mismatches and certain collateral related legal risks.

(note 4) Committed OC means that the issuer should not have discretion to remove it without negative consequences under the law or otherwise. Any other OC is regarded as "not committed".

(note 5) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the Issuer, the necessary OC stated here may also change. This is especially significant in the case of Issuers currently rated A2 or A3, as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at any time at Moody's discretion.

(note 6) This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a given rating level may differ from this amount. Reasons for such differences include: i) committee discretion; and ii) TPI considerations.

(note 7) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.

(note 8) This assumes no prepayment.

V. Cover Pool Information - Residential Assets

Overview

Asset type :	Residential
Asset balance :	7,983,073,534
Average loan balance :	847,460
Number of loans :	9,420
Number of borrowers :	8,974
Number of properties :	n/d
WA Remaining Term (in months) :	222
WA Seasoning (in months) :	31

Details on LTV

WA Unindexed LTV (*) :	61.1%
WA Indexed LTV :	50.4%
Valuation type :	Market Value
LTV threshold :	75.0%
Junior ranks :	15% (***)
Prior ranks :	8.3%

n/d : information not disclosed by Issuer

n/a : information not applicable

(*) Based on original property valuation

(**) Should include Borrowers with a previous personal bankruptcy or Borrowers with record of court claims against them at time of origination

(***) This "other" type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let)

(****) Internal junior ranks

Specific Loan and Borrower characteristics

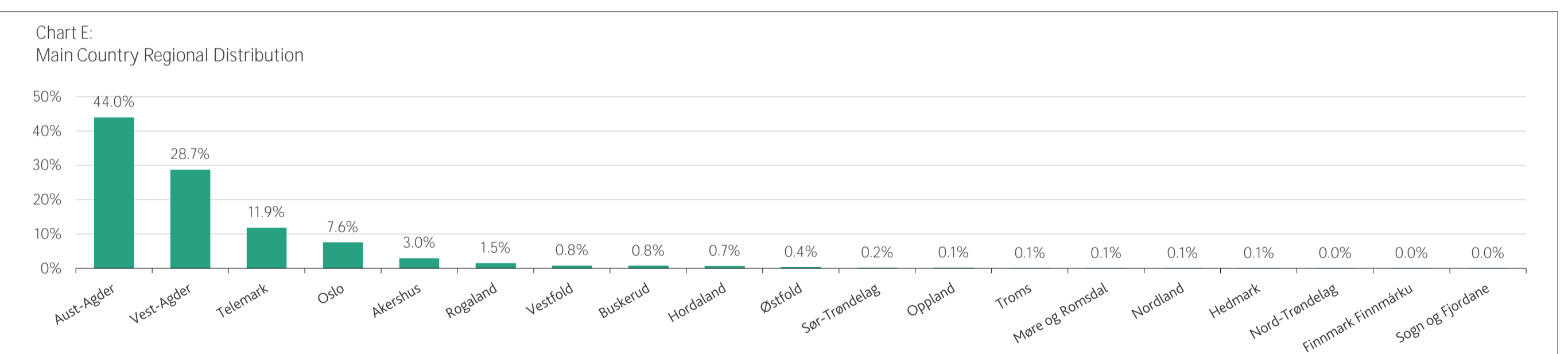
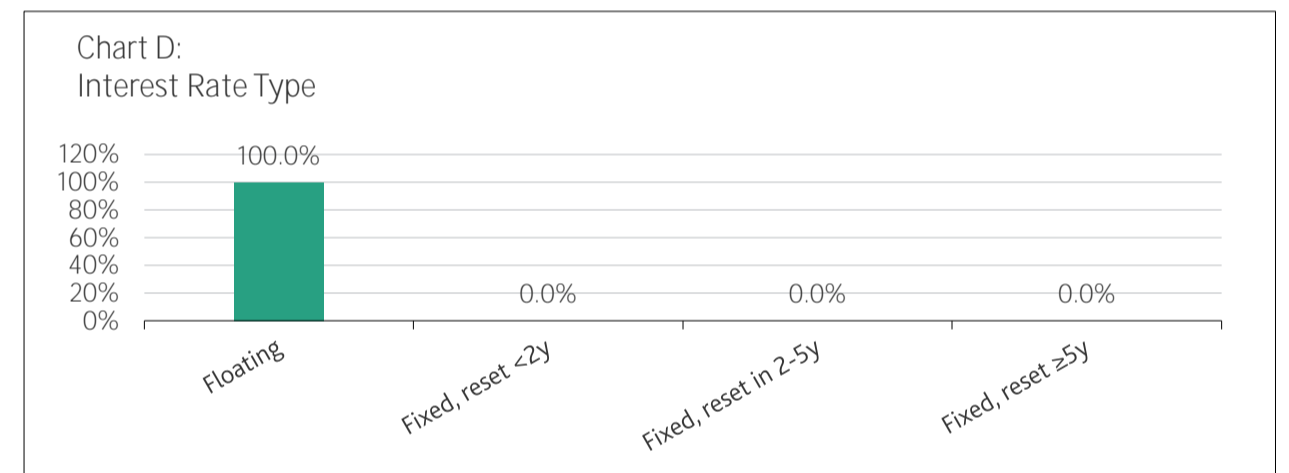
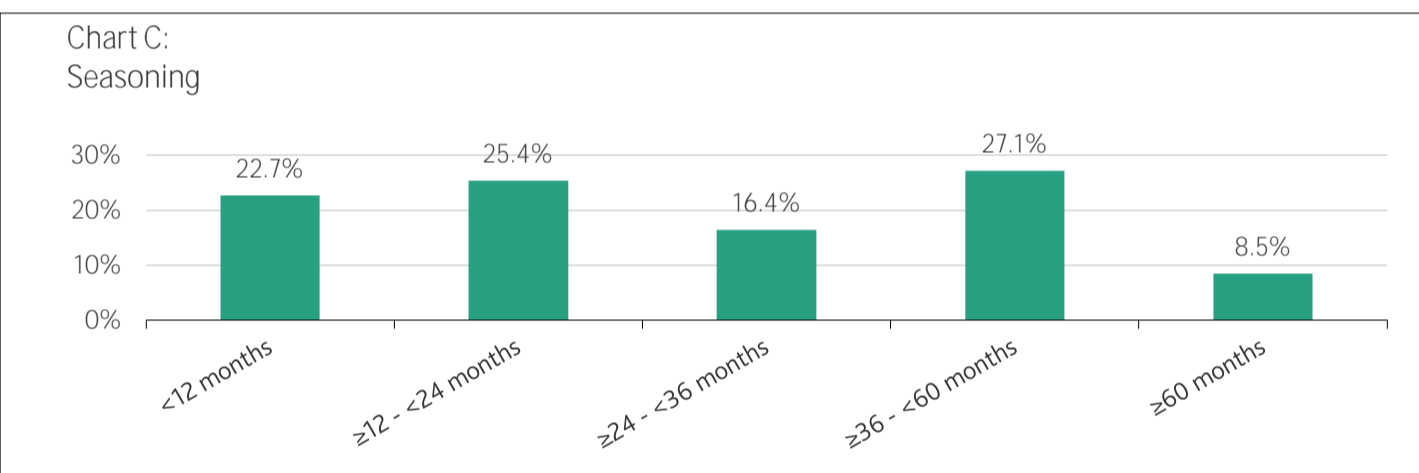
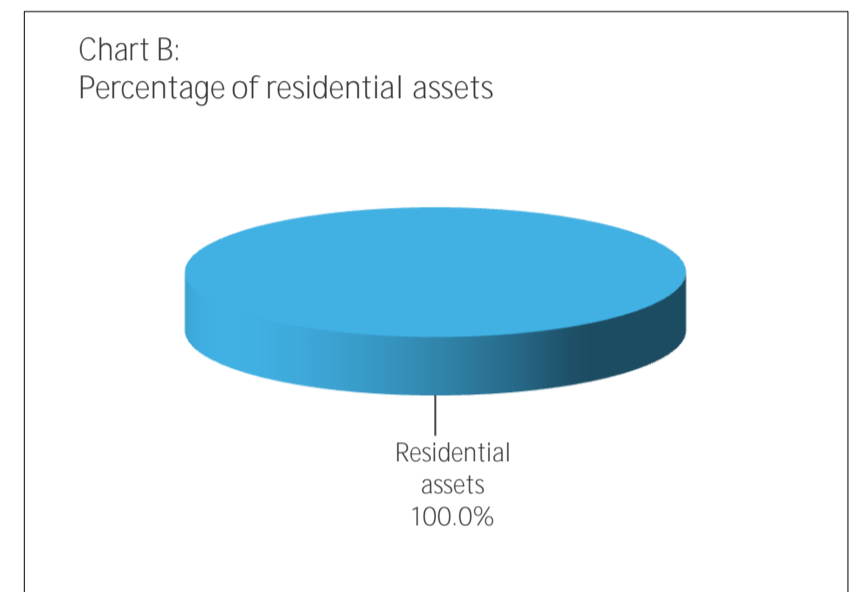
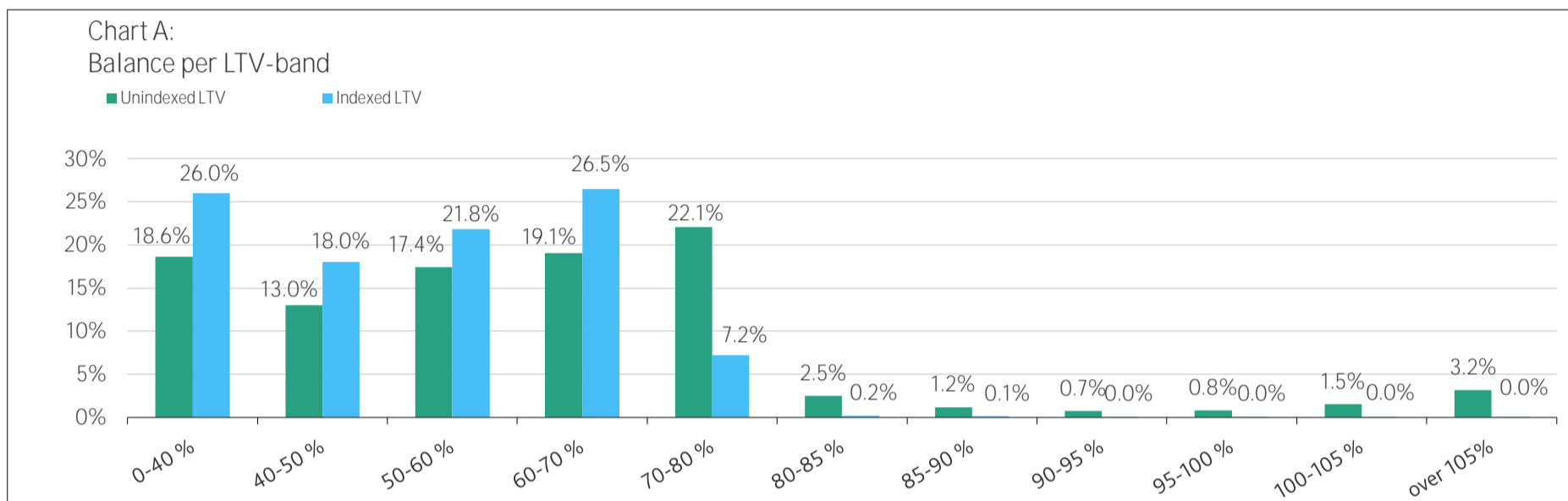
Loans with an external guarantee in addition to a mortgage :	0.0%
Interest Only Loans / Flexi Loans :	0.0% / 48.3%
Loans for second homes / Vacation :	0.0%
Buy to Let loans / Non owner occupied properties :	0.0%
Limited income verified :	0.0%
Adverse Credit Characteristics(**) :	0.0%

Performance

Loans in arrears (≥ 2months - < 6months) :	0.0%
Loans in arrears (≥ 6months - < 12months) :	0.0%
Loans in arrears (> 12months) :	0.0%
Loans in a foreclosure procedure :	0.0%

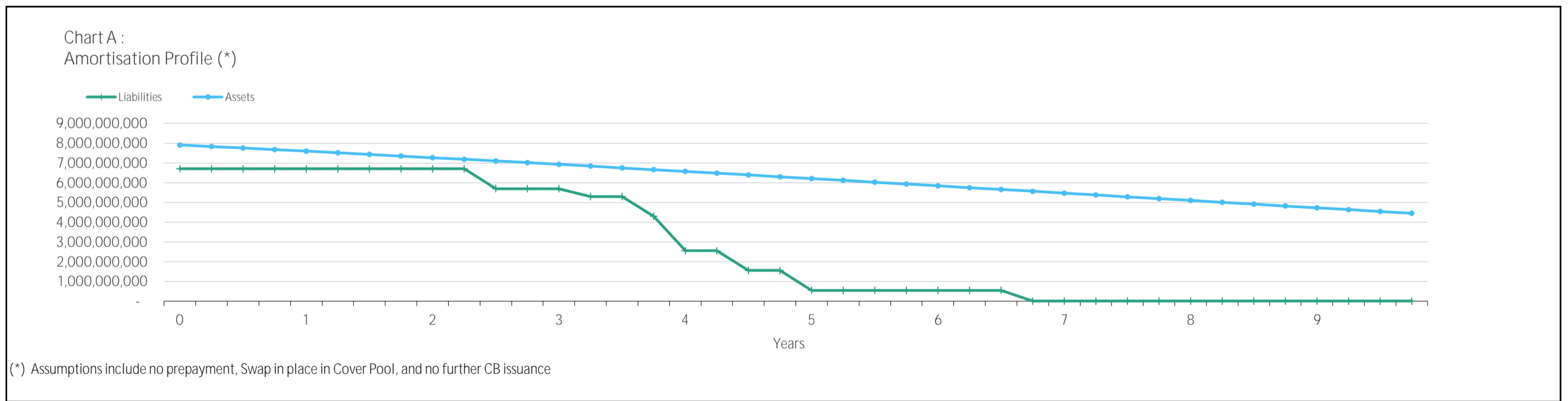
Multi-Family Properties

Loans to tenants of tenant-owned Housing Cooperatives :	n/a
Other type of Multi-Family loans (***) :	n/a



Appendix 1: Liabilities Information: Last 50 Issuances

ISIN	Series Number	Currency	Outstanding Amount	Issuance Date	Expected Maturity	Legal Final Maturity	Interest Rate Type	Coupon	Principal Payment
NO0010508443		JOK (Norway)	1,000,000,000	24/04/2009	08/04/2014	08/04/2015	Floating rate	act/360 + 50 bps	BULLETT
NO0010536162		JOK (Norway)	1,000,000,000	01/09/2009	06/10/2015	06/10/2016	Floating rate	act/360 + 55 bps	BULLETT
NO0010518129		JOK (Norway)	1,000,000,000	09/06/2009	02/07/2015	04/07/2016	Floating rate	act/360 + 55 bps	BULLETT
NO0010530744		JOK (Norway)	1,000,000,000	05/08/2009	06/10/2016	06/10/2017	Floating rate	act/360 + 60 bps	BULLETT
NO0010614688		JOK (Norway)	1,000,000,000	29/06/2011	29/06/2016	29/06/2017	Floating rate	act/360 + 50 bps	BULLETT
NO0010623945		JOK (Norway)	550,000,000	24/08/2011	24/08/2017	24/08/2018	Floating rate	act/360 + 53 bps	BULLETT
NO0010625841		JOK (Norway)	750,000,000	05/10/2011	05/10/2015	05/10/2016	Floating rate	act/360 + 53 bps	BULLETT
NO0010633415		JOK (Norway)	400,000,000	22/12/2011	23/03/2015	23/03/2016	Floating rate	act/360 + 44 bps	BULLETT



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